



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

SEP 15 2017

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

REPLY TO THE ATTENTION OF:

Louis Pileggi, President
Chicago Steel Container Corporation
1846 South Kilbourn Avenue
Chicago, Illinois 60623

Re: Notice of Violation and Finding of Violation
Chicago Steel Container Corporation
Chicago, Illinois

Dear Mr. Pileggi:

The U.S. Environmental Protection Agency is issuing the enclosed Notice of Violation (NOV) and Finding of Violation (FOV) to Chicago Steel Container Corporation (you) under Section 113(a)(1) and (a)(3) of the Clean Air Act, 42 U.S.C. § 7413(a)(1) and (a)(3). We find that you are violating the Illinois State Implementation Plan and Title V Permit No. 95120229 at your Chicago, Illinois facility.


Section 113 of the Clean Air Act gives us several enforcement options. These options include issuing an administrative compliance order, issuing an administrative penalty order and bringing a judicial civil or criminal action.

We are offering you an opportunity to confer with us about the violations alleged in the NOV/FOV. The conference will give you an opportunity to present information on the specific findings of violation, any efforts you have taken to comply and the steps you will take to prevent future violations. In addition, in order to make the conference more productive, we encourage you to submit to us information responsive to the NOV/FOV prior to the conference date.

Please plan for your facility's technical and management personnel to attend the conference to discuss compliance measures and commitments. You may have an attorney represent you at this conference.

The EPA contact in this matter is Manoj P. Patel. You may call him at (312) 353-3565 to request a conference. You should make the request within 10 calendar days following receipt of this letter. We should hold any conference within 30 calendar days following receipt of this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "Edward Nam", written in a cursive style.

Edward Nam
Director
Air and Radiation Division

Enclosure

cc: Yasmine Keppner-Bauman, Acting Manager
Compliance Section, Bureau of Air
Illinois Environmental Protection Agency

IN THE MATTER OF:)	
)	
Chicago Steel Container Corporation)	NOTICE OF VIOLATION and
Chicago, Illinois)	FINDING OF VIOLATION
)	
Proceedings Pursuant to)	
Section 113(a)(1) and (a)(3) of the)	EPA-5-17-IL-07
Clean Air Act, 42 U.S.C.)	
§ 7413(a)(1) and (a)(3))	

The U.S. Environmental Protection Agency (EPA) is issuing this Notice of Violation and Finding of Violation under Sections 113(a)(1) and (a)(3) of the Clean Air Act (the CAA), 42 U.S.C. §§ 7413(a)(1) and (a)(3). EPA finds that Chicago Steel Container Corporation (CSCC) is violating the Illinois State Implementation Plan (SIP) and its Title V Permit No. 95120229, as follows:

1. Pursuant to Section 110(a)(1) of the CAA, 42 U.S.C. § 7410(a)(1), each state is responsible for submitting to EPA for approval an implementation plan which specifies how the state will achieve, maintain, and enforce all primary and secondary National Ambient Air Quality Standards (NAAQS) in the state.
2. Under Section 110(a)(2) of the CAA, 42 U.S.C. § 7410(a)(2), each SIP must include enforceable emissions limitations and other control measures, means, or techniques, as well as schedule for compliance, as may be necessary to meet applicable requirements, and must include a permit program to provide for the enforcement of these limitations, measures, and schedule as necessary to assure the NAAQS are achieved. Upon EPA's approval of a SIP, the plans become independently enforceable by the federal government, as stated under Section 113(a)(1) of the CAA, 42 U.S.C. § 7413(a)(1).
3. On May 31, 1972, EPA approved Illinois Pollution Control Board (IPCB) Rule 102 as part of the federally-enforceable Illinois SIP. 37 Fed. Reg. 10842 (May 31, 1972). IPCB Rule 102 has been recodified at 35 Illinois Administrative code (Ill. Adm. Code) 201.141.
4. 35 Ill. Adm. Code 201.141 of the federally-enforceable Illinois SIP states that no person shall cause or threaten or allow the discharge or emission of any contaminant into the environment in any state so as, either alone or in the combination from other sources, to

cause or tend to cause air pollution in Illinois, or so as to violate the provision of this Chapter, or so as to prevent the attainment or maintenance of any applicable air standard.

5. On September 9, 1994, EPA approved the SIP definitions in 35 Ill. Adm. Code 211.121-7350 as part of the federally-enforceable Illinois SIP. 59 Fed. Reg. 46567 (September 9, 1994). 35 Ill. Adm. Code 211.121-7350 became effective on October 11, 1994.
6. 35 Ill. Adm. Code 211.4550 of the federally-enforceable Illinois SIP and Section 302(e) of the CAA, 42 U.S.C. § 7602(e), define “person” as, among other things, any corporation.
7. 35 Ill. Adm. Code 211.390 of the federally-enforceable Illinois SIP defines “air pollution” as the presence in atmosphere of one or more contaminants in sufficient quantities and of such characteristics and duration to be injurious to human, plant, or animal life, to health or to property, or to unreasonably interfere with the enjoyment of life or property.
8. 35 Ill. Adm. Code 211.310 of the federally-enforceable Illinois SIP defines “air contaminant” as any solid, liquid, or gaseous matter, any odor, or any form of energy, that is capable of being released into the atmosphere.
9. 35 Ill. Adm. Code 211.550 of the federally-enforceable Illinois SIP defines “as applied” as the formulation of a coating during the application on or impregnation into a substrate, including any dilution solvents or thinners added at the source before the application of coating.
10. 35 Ill. Adm. Code 211.1190(b) of the federally-enforceable Illinois SIP defines “coating” for the purpose of 35 Ill. Adm. Code 218 and 219, as a material applied onto or impregnated into a substrate for protective, decorative, or functional purposes. Such materials include, but are not limited to, paints, varnishes, sealers, adhesives, thinners, diluents, and inks.
11. 35 Ill. Adm. Code 211.3850 of the federally-enforceable Illinois SIP defines “Miscellaneous metal parts and products coating” for the purpose of 35 Ill. Adm. Code 218 and 219, as any protective, decorative or functional coating applied onto the surface of any metal part or metal product, even if attached to or combined with a nonmetal part or product; (a) including but limited to underbody anti-chip automobile and light-duty truck coatings, (b) but not including the following coatings, which are subject to separate regulations: can coatings, coil coatings, metal furniture coatings, large appliance coatings, magnet wire coatings, and prime coat, primer surface coat, top coat and final repair coat for automobile and light-duty trucks; and (c) not including the following coatings: architectural coatings, automobile or light-duty truck refinishing coatings, coatings applied to the exterior of marine vessels, coatings applied to the exterior of air planes, customized top coats for automobile and trucks if production is less than thirty-five vehicles per day, and high temperature aluminum coating applied to diesel-electric locomotives in Cook County.

12. 35 Ill. Adm. Code 211.7150 of the federally-enforceable Illinois SIP defines “Volatile Organic Material(VOM)” or “Volatile Organic compounds (VOC)” as any compound of carbon, excluding carbon monoxide, carbon dioxide, carbonic acids, metallic carbides or carbonates, and ammonium carbonate, which participates in atmospheric photochemical reactions.
13. On March 23, 2012, EPA approved Organic Material Emission Standards and Limitations for the Chicago Area at 35 Ill. Adm. Code 218.204 as part of the federally-enforceable Illinois SIP at 40 C.F.R. § 52.720(c)(189)(i)(G). 77 Fed. Reg. 16940 (March 23, 2012). 35 Ill. Adm. Code 218.204 became effective on April 23, 2012.
14. 35 Ill. Adm. Code 218.204(q)(1)(V) of the federally enforceable Illinois SIP states that on and after May 1, 2012, the owner or operator of a miscellaneous metal coating line for new drum coating exterior shall comply with 2.80 lbs. of VOM per gallon of coating or 4.52 lbs. of VOM per gallon of coating solids.

Title V Permit Program

15. Title V of the CAA, 42 U.S.C. §§ 7661-7661f, and its implementing regulations at 40 C.F.R. Part 70, establish an operating permit program for certain sources, including major sources, and other sources made subject under Section 502(a) of the CAA, 42 U.S.C. § 7661a(a).
16. For the purpose of Title V, Section 501(2)(A) of the CAA, 42 U.S.C. § 7661(2)(A), and 40 C.F.R. § 70.2 define “major source” as, among other things, any stationary source that emits or has the potential to emit considering controls, in the aggregate, 100 tons per year (tpy) or more of any pollutant regulated under the CAA, or 10 or more tpy of hazardous air pollutant (HAP) or 25 tpy or more of any combination of HAPs.
17. Pursuant to Section 502(b) of the CAA, 42 U.S.C. § 7661a(b), EPA promulgated regulations establishing the minimum elements of a Title V permit program to be administered by any air pollution control agency. 57 Fed. Reg. 32295 (July 21, 1992). These regulations are codified at 40 C.F.R. Part 70.
18. On March 7, 1995, EPA granted interim approval of Illinois’ Title V operating permit program. EPA granted final approval effective on November 30, 2001. 40 C.F.R. Part 70, Appendix A. The Illinois Title V operating permit program, known as the Clean Air Act Permit Program, is codified at 415 ILCS5/39.5.
19. Section 502(a) of the CAA, 42 U.S.C. § 7661a(a), and EPA’s implementing regulations at 40 C.F.R. § 70.7(b) have at all relevant times made it unlawful for any person to violate any requirement of a permit issued under Title V or to operate a major stationary source except in compliance with a permit issued by a permitting authority under Title V.
20. The Illinois Environmental Protection Agency issued Title V Permit No. 95120229 to CSCC on August 15, 2014 (2014 Title V Permit).

21. Section 4.1.2.d.i.A of CSCC's 2014 Title V Permit requires that VOM emissions from the new exterior drum coating operations not exceed 2.80 lbs/gallon coating or 4.52 lbs/gallon solid.
22. Section 4.1.2.d.i.C of CSCC's 2014 Title V Permit states that the emission limitations are expressed in units of VOM per volume of coating (minus water and any compounds which are specifically exempted from the definition of VOM) as applied at each coating applicator, except where noted. Compounds which are specifically exempted from the definition of VOM should be treated as water for the purpose of calculating the "less water" part of the coating composition.

Finding of Facts

23. CSCC owns and operates a steel drum manufacturing facility at 1846 Kilbourne Avenue, Chicago, Illinois (the facility), which contains, as relevant to this NOV/FOV, Exterior Coating Line #3 (CL-3).
24. CSCC is a "person," as that term is defined at 35 Ill. Adm. Code 211.4550 of the federally-enforceable Illinois SIP and Section 302(e) of the CAA, 42 U.S.C. § 7602(e).
25. CSCC's facility has the potential to emit 100 tons per year (tpy) or more of VOM emissions, making it a "major source," as the term is defined at Section 501(2)(A) of the CAA, 42 U.S.C. § 7661(2)(A), and 40 C.F.R. § 70.2.
26. On March 18, 2016, EPA inspected the facility for the compliance with the CAA, the federally-enforceable Illinois SIP, and its 2014 Title V Permit.
27. During the March 18, 2016 Inspection, EPA requested daily VOM usage records from exterior coating operations, along with technical data sheets for chemicals used in exterior coating operations from January 1, 2013 through May 1, 2016.
28. On or about March 24, 2016, CSCC submitted the exterior coating operations daily VOM records for year 2015 by electronic mail (e-mail).
29. On or about June 14, 2016, CSCC submitted the exterior coating operations daily VOM records for year 2013 and 2014 by electronic mail (e-mail).
30. On or about June 14, 2016, CSCC submitted the exterior coating operations daily VOM records from January 1 through April 22, 2016.
31. On February 10, 2017, EPA issued a Request for Information under Section 114 of the CAA, 42 U.S.C. § 7414, to the CSCC's steel drum manufacturing facility. On April 28, 2017, CSCC responded to EPA's Request for Information.
32. Based on the EPA's review of CSCC's coating usage records of the exterior drum coating line CL-3, CSCC used coating as applied of more than 2.80 lbs VOM/gallons of coating less water from July 1, 2012 to the present.

33. Emissions from CSCC's exterior drum coating line CL-3 are subject to VOM regulations in the Illinois SIP at 35 Ill. Adm. Code 218.204(q).

Violations

34. CSCC has failed to limit VOM emissions at the exterior drum coating line CL-3, in violation of the VOM Requirements of 35 Ill. Adm. Code 218.204(q)(1)(V) of the federally enforceable Illinois SIP.
35. CSCC has failed to limit VOM emissions at the exterior drum coating line CL-3, in violation of the VOM Requirements in Section 4.1.2.d.i.A of its 2014 Title V permit from at least July 1, 2012 to February 17, 2017. As a result of CSCC's failure to meet this VOM emissions requirement, CSCC violated Section 502(a) of the CAA, 42 U.S.C. § 7661a(a), EPA's implementing regulations at 40 C.F.R. § 70.7(b).

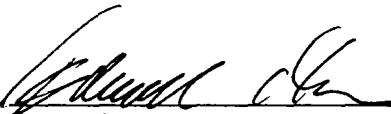
Environmental Impact of Violations

36. CSCC's violations have caused or can cause excess emissions of volatile organic compounds, a precursor of ground level ozone.

Ozone: Breathing ozone contributes to a variety of health problems including chest pain, coughing, throat irritation, and congestion. It can worsen bronchitis, emphysema, and asthma. Ground-level ozone also can reduce lung function and inflame lung tissue. Repeated exposure may permanently scar lung tissue.

Date

9/15/17



Edward Nam
Director
Air and Radiation Division

CERTIFICATE OF MAILING

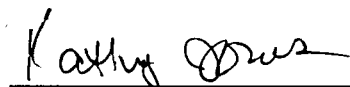
I certify that I sent a Notice of Violation and finding of Violation, No. EPA-5-17-IL-07,
by Certified Mail, Return Receipt Requested, to:

Louis Pileggi, President
Chicago Steel Container Corporation
1846 South Kilbourn Avenue
Chicago, Illinois 60623

I also certify that I sent copies of the Notice of Violation and Finding of Violation by first-class mail to:

Yasmine Keppner-Bauman
Acting Manager
Bureau of Air
Compliance of Enforcement Section
Illinois Environmental Protection Agency
1021 North Grand Avenue East
Springfield, Illinois 62794

On the 18th day of September 2017.



Kathy Jones
Program Technician
AECAB, PAS

CERTIFIED MAIL RECEIPT NUMBER: 7009 1680 0000 7647 0568